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# FOREIGN CROPS and MARKETS

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## LATE FOREIGN DEVELOPMENTS

CANADA: Crop prospects Western Canada still good to excellent, but some apprehension on account of the lateness of harvest in view of rust and frost danger. Rust reported more serious for flaxseed than coarse grains or wheat, with infection quite severe on old varieties in parts of Saskatchewan and Manitoba. Cutting of rye and early sown coarse grains is under way at a number of points but will not be general in Manitoba until late August. For Saskatchewan cutting of wheat is not expected until late August. In Alberta, the position is mixed, with crops in the northern area more advanced as a result of warmer and drier weather. Northern areas, especially in the Peace River district, now need rain. Some hail damage occurred in the three Provinces in the past week. Grasshoppers have been more damaging in Saskatchewan than elsewhere, especially to rye and flax. Light frosts occurred in northwestern Alberta during the first week of August, but no serious damage was reported.

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BRAZIL: First official estimate places the Northern Brazil 1942 cotton crop at 390,400 bales of 478 pounds. This compares with the first and final estimates of the previous crop amounting to 532,200 and 487,900 bales, respectively.

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BRAZIL: Declared exports of Brazil nuts to the United States from Belem and Manaos during July were as follows, with 1941 comparisons in parentheses: 1,215 short tons shelled (973) and 4,095 short tons unshelled (929). There were no exports to other countries and the market was temporarily paralized pending the outcome of negotiations between the United States Government and Brazilian interests on the purchase of the crop. Medium sized Brazils unshelled at Belem were not being quoted, while large washed at Manaos were quoted at prices ranging from 70 to 100 milreis per hectoliter (about 3.8 to 5.4 United States cents per pound).

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SWITZERLAND: Swiss food rations for the month of August are the same except for the following:

| Former rations | August ration |
|---|---|
| 450 grams fats or 0.48 quart oil. | 200 grams fats or 0.21 quart oil. |
| 500 grams cheese | 600 grams cheese |
| 750 grams meat | 1,000 grams meat |

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## G R A I N S

### IRAQ EXPECTS ANOTHER REDUCED WHEAT CROP . . .

For the third year in succession, a below-normal wheat crop is expected in Iraq, according to information received in the Office of Foreign Agricultural Relations. A normal wheat crop is said to be about 26 million bushels, which is approximately the 1939 production. An average for early years, however, is somewhat less than this amount. In 1940 the harvest was reported reduced to around 18 million bushels, and in 1941 it was still less, some reports being as low as 12 million bushels. The 1942 crop, which was estimated earlier in the season at around 18 million bushels, has now been reduced by Sunn pest damage to about 15 million bushels. (For further comment on the Sunn pest, see Foreign Crops and Markets, April 27, 1942.) Weather developments during the season were reported fairly favorable for crops, although rainfall was unevenly distributed in the northern districts.

As a result of the reduced crops, particularly in successive seasons, Iraq has shifted from a surplus wheat area to an importing basis. Various steps have also been taken within the country to organize the supply and distribution of wheat and flour. Prices of wheat, flour, and bread have been fixed; the wheat price ranges from 17.5 to 25.0 Iraq Dinars per metric ton ($1.92 to $2.75 per bushel), according to grade. The amount of imports that will be needed for the coming year is now under consideration by Government officials. To some extent, it is expected that the barley crop, which is reported good this year, may be substituted in part for local wheat needs.

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### VENEZUELA CONTROLS FLOUR AND BREAD SUPPLIES . . .

The National Price Control Board of Venezuela has placed the sale and distribution of wheat flour and bread under rigid control, according to information received in the Office of Foreign Agricultural Relations. This action is attributed to anxiety among merchants and bakers regarding a possible scarcity of wheat flour in view of the disturbed shipping conditions. Stocks on hand, as well as the distribution of flour, are included in the control action.

The Board has also established maximum sales prices, effective June 18, 1942, on bread made from wheat flour in accordance with a prescribed scale of weights. The price for a 500-gram loaf (1.1 pound) at bakeries is 0.65 bolivars or 17.6 cents per pound. Another resolution issued by the Board prohibits the sale of wheat flour except under license, and for purposes of distribution places directly under the Board's control 40 percent of all wheat flour imported into Venezuela.

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Venezuela has been a substantial importer of wheat flour from the United States. Imports in recent years have increased considerably, averaging around 38,000 barrels monthly (see Foreign Crops and Markets, June 22, 1942).

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FINNISH GRAIN CROP
PROSPECTS DECLINE . . .

Unseasonably cold weather and excessive rainfall during July have reduced bread-grain crop prospects in Finland, according to information received in the Office of Foreign Agricultural Relations. In June grain crops appeared to have made considerable recovery after a late start, and prospects were reported fairly favorable. Particular concern is expressed regarding delay in ripening in view of the need for mature grain for fall seeding purposes.

While no official estimates are yet available, it is reported that prospects now point to yields well below average. Winter-wheat prospects are said to be especially discouraging. The average winter-wheat yield from 1930 to 1939 was reported at 28.0 bushels per acre, in 1941 the yield declined to 18.2 bushels per acre, and according to present prospects, 1942 yields will also be well below the average. As a result of the reduced yields, it is expected that for the coming season seedings of winter wheat may be reduced in favor of rye, which is hardier.

The outlook for spring wheat, oats, barley, potatoes, and other root crops is reported somewhat better than for winter wheat. The abundant rainfall benefitted the grasslands, which helped temporarily to relieve the feed shortage for livestock. On the other hand, the July rains interfered with haying operations and caused some damage, especially to the quality of the hay crop.

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UNITED KINGDOM ENCOURAGES
RYE PRODUCTION . . .

The Ministries of Agriculture and Food have jointly announced plans for encouraging farmers to grow more rye, especially on lighter soils not suitable for wheat, according to information received in the Office of Foreign Agricultural Relations. An acreage payment of £3 ($12.10) per acre, or the same as for wheat, will be paid for the 1943 crop that is fully ripened and threshed as grain. No payment will be made for rye cut green for fodder. A maximum market price has been fixed at 14 shillings per hundredweight ($1.41 per bushel).

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## VEGETABLE OILS AND OILSEEDS

### CANADA ESTABLISHES GRADES FOR FLAXSEED AND SOYBEANS . . .

The Canadian Government has established official grades for flaxseed and soybeans grown in the Eastern Division of Canada. This action was taken because the Wheat Board is authorized to purchase flaxseed and soybeans according to quality. Only a small percentage of the flaxseed crop has been produced in the eastern Provinces in recent years, but growers were urged to increase their sowings for 1942. So far a minimum price has not been established for these Provinces although the Toronto office of the Wheat Board has announced its intention to establish appropriate prices. A minimum price of $2.25 per bushel for flaxseed grown in Western Canada became effective August 1, 1942.

CANADA: Grade requirements for flaxseed, 1942

| Grade name | Minimum weight per measured bushel | Standard of quality: Degree of soundness | Standard of Cleanness |
|---|---|---|---|
| | Pounds | | |
| No. 1 Canada, Eastern | 51 | Matured and sweet. May contain 12 percent damaged seeds | Clean, commercially pure seed |
| No. 2 Canada, Eastern | 50 | Matured and sweet. May contain 25 percent damaged seeds | Clean, commercially pure seed |
| No. 3 Canada, Eastern | 47 | May contain 5 percent heat damage | Clean, commercially pure seed |
| No. 4 Canada, Eastern | - | May contain 10 percent heat damage | Clean, commercially pure seed |
| Sample Canada Eastern | Any flax which does not meet the requirements for any of the other established grades. | | |

The Canada Gazette, July 25, 1942.

Soybeans are reported to be below expectations in the Province of Ontario. Plantings were delayed by frequent rains, and growth was retarded by cool weather. The Canadian Government planned a considerable increase in production this year and has offered to buy soybeans at $1.95 per bushel, basis No. 2 Yellow, delivered in Toronto.

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CANADA: Grade requirements for yellow, green, brown, black, and mixed soybeans, 1942

| Grade name | Minimum weight per measured bushel | Standard of quality | Maximum limits of | | | |
|---|---|---|---|---|---|---|
| | | | Splits | Damaged kernels soybeans and other grains | Foreign material other than dockage | Other colors or bi-colored a/ |
| | Pounds | | Percent | Percent | Percent | Percent |
| No. 1 Canada Soybeans | 58 | Cool, of natural odor, well screened, of good natural color. | 10 | 2 | 1 | 2 |
| No. 2 Canada Soybeans | 56 | Cool, of natural odor, slightly stained. | 15 | 3 | 2 | 3 |
| No. 3 Canada Soybeans | 54 | Cool, of natural odor, may be stained. | 20 | 5 | 3 | 5 |
| No. 4 Canada Soybeans | 51 | Cool, may be badly stained, may be slightly frosted and immature. | 30 | 8 | 5 | 10 |
| Sample Canada Soybeans | Shall be soybeans which do not meet with the requirements of any of the grades from No. 1 to No. 4 inclusive, or which contain stone and/or cinders, or which are musty, sour, heated or heating, or which have any commercial objectionable foreign odor, or which are otherwise of distinctly low quality. | | | | | |

The Canada Gazette, July 25, 1942.
a/ The maximum limits here given for "Other Colors" shall not apply to the grading of mixed soybeans.

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SESAME SEED CULTIVATION
IN NICARAGUA ENCOURAGED . . .

According to a policy adopted by the National Bank of Nicaragua, applications for loans for the cultivation of sesame seed during the 1942 season will be given particular consideration. The Manager of the Bank pointed out that the market for this seed had expanded rapidly and that any increase in production could be readily sold. It is highly desirable that Nicaragua's production of oil-bearing seeds be increased.

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## MEXICAN OILSEED PRODUCTION AT RECORD LEVEL IN 1941 . . .

Preliminary estimates of Mexican oilseed production in 1941 indicate a substantial increase in cottonseed, sesame, and flaxseed, according to information received in the Office of Foreign Agricultural Relations. While some expansion was expected, it is believed that the figures reported for sesame and flaxseed are somewhat high. When official estimates are released, they will undoubtedly be revised downward. Area estimates for 1942 are not available; it is expected, however, that acreages will exceed those of 1941.

MEXICO: Apparent supplies of vegetable oils and oilseeds, 1941 a/

| Oilseeds | Production b/ | Imports | Apparent supplies | Oil equivalent | Imports of oil | Total oil equivalent |
|---|---|---|---|---|---|---|
| | Short tons | Short tons | Short tons | Short tons | Short tons | Short tons |
| Copra ..... | 35,000 | 98,822 | 137,403 | 82,442 | c/ 6,819 | 89,261 |
| Cotton .... | 177,556 | 1,947 | 179,503 | 24,611 | 22 | 24,633 |
| Sesame .... | 64,731 | d/ | 64,337 | 26,721 | d/ | 26,721 |
| Peanuts ... | 22,798 | 3 | 22,801 | 5,700 | - | 5,700 |
| Flaxseed .. | e/ 8,763 | 2,136 | 10,570 | 3,593 | 406 | 3,999 |

American Embassy, Mexico City.
a/ For earlier years see Foreign Crops and Markets, April 6, 1942.
b/ Preliminary. c/ 35 tons of coconut oil and 6,784 tons of palm oil.
d/ Less than 500 pounds. e/ 313,000 bushels.

Vegetable oil production in 1941 was much larger than in preceding years, and the total output was not consumed, as has been previously reported. Heavy stocks of copra were built up in Mexico prior to the outbreak of hostilities in the Pacific. These stocks are now being used in reduced quantities by some manufacturers and may stretch into 1944.

Cottonseed oil quotations in Mexico City advanced from 9.37 cents to 12.67 cents per pound during the 1941-42 (August-July) crop year. This increase in price has no doubt influenced in part the record cotton crop that is unofficially forecast at 425,000 bales for the current season. Sesame-seed oil prices have increased steadily since the latter part of 1940, ranging from 6.05 cents per pound in December of that year to 12.78 cents per pound in May 1942. Linseed-oil prices rose steadily from August 1939 until February 1942, when they were recorded at 16.32 cents per pound, but by the end of June, they had dropped to 14.93 cents per pound.

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## COTTON - OTHER FIBERS

### ANGLO-EGYPTIAN SUDAN INCREASES COTTON EXPORTS . . .

Exports of cotton from the Anglo-Egyptian Sudan amounted to 388,000 bales (of 478 pounds) in 1941 compared with 173,000 in 1940. The 1941 total comprised 357,000 bales of Egyptian varieties and 31,000 of American against 153,000 and 20,000 respectively, in 1940. The United Kingdom and India are reported to have accounted for the bulk of Sudanese cotton exports in both years. Imports of cotton piecegoods also showed an increase of 50 percent from 6,418 short tons in 1940 to 9,627 in 1941, with Great Britain as the chief source of supply.

The 1941 cotton crop was estimated at 225,000 bales as against 247,000 in 1940. Cotton stocks in the Sudan at the end of July 1940 were placed at 349,000 bales and reported to have been reduced to 203,000 (90 percent Sakellaridis) by the end of 1941. Relatively heavy export shipments in 1942 are believed to have reduced current stocks to a much lower figure.

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### HAITI COTTON SURPLUS REDUCED BY EXPORTS TO COLOMBIA . . .

Exports of 8,672 bales (of 478 pounds) of Haitian cotton to Colombia between October 1, 1941, and June 15, 1942, comprise about 50 percent of the supply on hand at the beginning of 1942, according to information received in the Office of Foreign Agricultural Relations.

The stock of 4,000 bales from the 1940 crop still on hand at the end of 1941, together with the 1941 crop of 12,500 bales, had created a serious surplus problem for the Haitian growers because of shipping shortages and lack of access to European and Asiatic markets. The United States Government, in an effort to relieve the depressive effect of this relatively large surplus on the Haitian economy, agreed in principle on March 28, 1942, to purchase the 1941 Haitian crop, the stocks from previous crops, and all future crops (up to 12,500 bales each) for the duration of the war. A basic price of 15 centimes per half kilogram (2.72 cents per pound) for seed cotton was stipulated in the agreement, and the Haitian Government has fixed this price for payment to growers for cotton delivered at Port-au-Prince.

The average price for cotton (lint) exported to Colombia was equivalent to 9.53 cents per pound. Exports to Colombia, have already removed half of the original stocks covered by the purchase agreement.

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EL SALVADOR EXPECTS RECORD
COTTON CROP THIS YEAR . . .

A record cotton crop of around 19,000 bales (of 478 pounds) from 26,000 planted acres is anticipated in El Salvador this year, compared with 4,400 bales in 1941 and 14,900 in 1940. Picking usually takes place during November to January. El Salvador appears to be in a somewhat better position to dispose of a large cotton crop than are most other minor producing countries in Latin America. Consumption by the four domestic mills amounted to about 7,500 bales in 1941 and may reach 10,600 in 1942, with the addition of a new mill, now nearing completion, and continuation of the present 24-hour-per-day schedule of operations. Guatemala imports 3,000 to 4,000 bales of cotton annually (1,200 from El Salvador in 1940-41). Cuba, Costa Rica, and Mexico are also considered as prospective outlets for Salvadoran cotton. Salvadoran growers, however, are not so optimistic concerning disposal of the expected surplus because of the large stocks available in other Latin American countries at prices considerably lower than the current fixed (since February 1942) price of 20 United States cents per pound in El Salvador.

About 15 percent of the 1941 crop was Delfos and Deltapine 12, two American varieties that normally average 1-1/16 to 1-1/8 inches in staple length. The Cotton Growers Cooperative had planned to intensify the cultivation of Deltapine 12 this year and eventually limit cultivation to that variety. A prohibitive tariff instituted in 1931, maintained cotton prices at a level of 16 to 18 cents per pound until the record 1940 crop caused a sharp decline to around 6 to 8 cents. The Salvadoran Cotton Growers Cooperative was organized in February 1941, largely to pool all cotton for orderly marketing. About 10,000 bales of cotton (6,700 from the 1940 crop) were sold by the Cooperative during the year ended April 30, 1942, at prices ranging from 10 to 16 cents per pound, despite the large carry-over from the 1940 crop. Production loans totaling more than $400,000 were arranged by the Cooperative through the semigovernmental Mortgage Bank, seed improvement was begun, and a reduction in the cost of ginning was secured. Small producers, accounting for about 20 percent of the 1941 acreage, did not join the Cooperative.

In view of the anticipated surplus from the 1942 crop and possible market difficulties, the Government issued a decree on May 22, 1942, requiring (1) that all cotton growers be members of the Cooperative, (2) that all cotton-gin owners be licensed and be members of the Cooperative, and (3) that all cotton consumed by domestic mills in the manufacture of yarns and cloth be bought from the Cooperative. Cotton planted by unlicensed growers is subject to destruction and the grower to a fine of $20 per manzana ($11.63 per acre). Old cotton stalks must be burned each year not later than March 15, and all seed for planting (July 1 to August 30) must have been previously fumigated by authorized agents.

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## T O B A C C O

### DOMINICAN TOBACCO CROP LARGER, CARRY-OVER REDUCED . . .

Unusually favorable weather conditions at planting time and through the growing season have resulted in a larger 1942 tobacco crop than was previously expected in the Dominican Repulbic. A recent large shipment of Dominican leaf to Spain included most of the unsold tobacco from previous harvests, but continued uncertainties for exports have resulted in low prices for the current crop, according to reports reaching the Office of Foreign Agricultural Relations.

Early expectations indicated a 1942 tobacco crop of only 5.5 million pounds in the Dominican Republic, but recent estimates of the harvest now range between 8.8 and 11.0 million pounds, which are well above the estimated 1941 production of 6.6 million pounds, but materially below the average for the 5 preceding years of 19.7 million pounds. The 1941 and 1942 crops, despite the latter having been benefitted by exceptional weather conditions, were both materially below average as a result of a reduction in acreage. The unfavorable export demand and resulting low prices due to the war were the causes for reduced plantings.

Exports during the first 4 months of 1942 plus a large shipment that is known to have been made to Spain during June totaled approximately 7.0 million pounds as compared with total exports in 1941 of 8.3 million pounds. Reports indicate that the recent shipment to Spain included almost all of the unexported surplus from previous crops. The reduction in carry-over did not improve the market situation, however, as the export outlook for the increased 1942 production is unfavorable. Prices offered to growers for leaf from the current crop are no higher than those paid in 1941 and average about 2.25 cents per pound.

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### SPAIN TAKES LARGER SUPPLY OF BRAZILIAN TOBACCO . . .

Imports of Brazilian tobacco into Spain during 1942 have totaled 6.6 million pounds, and reports reaching the Office of Foreign Agricultural Relations indicate that the Spanish Tobacco Monopoly has contracted for an additional supply of 4.4 million pounds. The increased purchases from Brazil are to replace leaf formerly obtained from the United States and other sources. Shortage of exchange and inability to secure American export licenses have prohibited imports from the United States. The war has stopped shipments from the Philippines and Algeria, which also formerly supplied a large part of Spain's requirements.

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## FRUITS, VEGETABLES, AND NUTS

### CUBAN FRUIT EXPORTS CONSIDERABLY BELOW NORMAL. . .

The exportation of Cuban fruit to the United States during the first 6 months of 1942 was considerably below that for the same period in 1941. The decline is attributed to the scarcity of suitable ships to carry the fruit to American markets. The increased cost of freight on available ships also tended to curtail shipments. The month of June normally brings the end of the pineapple shipping season. This year, however, no shipments were made during the month. There has been a diversion of fruit, especially pineapples, to canneries, but the uncertainty of the supplies of tin plate has cast a gloomy outlook over the pineapple industry. It is reported that, as a result, little cultivation and fertilization took place.

Avocados, which normally start to move to the United States in volume in June, totaled only 14,575 pounds, the smallest export movement for this fruit in many years. Exporters of avocados held out some hope for July, because it had been reported that a small Honduran ship would be available to move some freight to the United States. The shipment of bananas was small, with most of the exports going to Florida ports instead of New York and other east coast ports. The shipments of plantains were also considerably below those of a normal year.

CUBA: Exports of fresh fruit from Habana to United States, June 1942, with comparison

| Kind of fruit | Unit | June 1941 | June 1942 | January-June 1941 | January-June 1942 |
|---|---|---|---|---|---|
| Papayas ...... | Pound | 57,326 | - | 244,847 | 44,638 |
| Avocados ..... | do | 353,622 | 14,575 | 353,622 | 14,575 |
| Grapefruit ... | do | 80 | - | 160 | - |
| Pineapples ... | Crate | 152,287 | 10,389 | 897,284 | 392,748 |
| In bulk .... | Pound | 418,878 | - | 918,422 | - |
| Plantains .... | do | 550,103 | 11,100 | 2,946,652 | 1,225,284 |
| Bananas ...... | do | 40,556 | - | 126,126 | 41,200 |
| Others a/ .... | do | 230,481 | 2,500 | 393,476 | 85,215 |

Compiled from official sources. a/ Includes limes and coconuts.

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### ARGENTINA PLANS TO EXPAND OLIVE CULTIVATION . . .

In June a national corporation for encouraging the cultivation of olives in Argentina was established by decree. The new corporation will have wide powers and authority and will be responsible for: organizing the production and sale of olive trees at economical prices; supplying

growers with practical and technical advice and instruction; and organizing the industrialization of olives by means of the establishment of regional factories. The corporation will also cooperate in the search for foreign, and, particularly, American continental markets, for the disposal of the production from Argentine olive cultivation. The new corporation will be administered by an Executive Board, over whose deliberations, the Sub-Secretary of the Ministry of Agriculture, Doctor Carlos Alberto Erro, will preside.

A further decree issued the same day authorized the Banco de la Nacion to place at the disposal of the corporation, credit facilities to total 2,000,000 pesos (approximately $595,500) to be used exclusively in the setting up of nurseries and the equipping thereof, the purchase of olive plants, and the multiplication of orchards. Interest payable on this credit will be determined by the Ministry of Finance, and the corporation will be expected to amortize such advances made to it, in the space of 5 years, starting with January 1, 1946.

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PALESTINE 1941-42 OLIVE CROP PRODUCTION SMALL . . .

The 1941-42 preliminary estimate of edible olive oil production is 2,200 short tons as compared with 11,600 tons in 1940-41, and 4,900 tons in 1939-40. The estimate is the smallest since 1934-35, when only 1,000 tons were produced. It is only 29 percent of the recent 5-year average (1936-37 to 1940-41) of 7,700 tons, and 37 percent of the 10-year average (1931-32 to 1940-41) of 5,900 tons.

PALESTINE: Estimated production of edible olive oil, 1931-32 to 1941-42

| Year | Estimated production | Year | Estimated production |
|---|---|---|---|
| | Short tons | | Short tons |
| 1931-32 .......... | 7,500 | 1937-38 .......... | 8,800 |
| 1932-33 .......... | 1,400 | 1938-39 .......... | 9,700 |
| 1933-34 .......... | 800 | 1939-40 .......... | 4,900 |
| 1934-35 .......... | 1,000 | 1940-41 .......... | 11,600 |
| 1935-36 .......... | 10,000 | 1941-42 .......... | a/ 2,200 |
| 1936-37 .......... | 3,500 | | |

Compiled from official sources. a/ Preliminary estimate.

The production was insufficient to meet domestic requirements; however, there was a fair sized carry-over from the previous crop, which had been the largest on record. The prospects for the 1942-43 crop of olives appears good at this time and, barring unforeseen weather and other difficulties, should result in a production of oil somewhat better than average.

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The Government of Palestine has for some years been actively engaged in encouraging the production of olive oil through increased plantings, installation of modern presses, and improvement of quality. It was estimated that the 1941 bearing acres of olives totaled 128,000, while nonbearing totaled 22,000 acres. It is further stated that 96 percent of the acreage is in the hands of Arabs and only 4 percent in the hands of Jewish farmers.

A census taken in 1940 revealed that there were a total of 605 olive-oil presses of all types in Palestine. Of the 605 presses, 76.2 percent were operated by animal power and the remainder by mechanical power. Animal-driven units during 1940-41 produced 45 percent of the olive oil while power-driven units produced 55 percent. The olive-oil mills are divided into five classes as shown below.

PALESTINE: Classification of olive-oil presses, 1940

| Type of unit | Units | Percentage of total | Average production |
|---|---|---|---|
| | Number | Percent | Short tons |
| Animal-driven crushers and wooden presses ..... | 142 | 23 | 6.6 |
| Animal-driven crushers and iron-screw presses . | 277 | 46 | 11.2 |
| Animal-driven crushers and hydraulic presses .. | 42 | 7 | 16.9 |
| Motor-driven crushers and hydraulic presses .. | 134 | 22 | 42.3 |
| Motor-driven crushers and iron-screw presses . | 10 | 2 | 13.2 |
| Total ................ | 605 | 100 | 17.4 |

Compiled from official sources.

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EGYPT PROHIBITS
EXPORTATION OF ONIONS . . .

The exportation of onions from Egypt was prohibited by Ministerial Decree No. 78, issued by the Minister of Finance under date of May 21, 1942, and published in Journal Officiel No. 95 of May 25, 1942. This prohibition is largely the result of a 50-percent decrease in the acreage planted to onions during the 1941-42 season. The Egyptian Government wishes to make sure that the reduced production will cover local requirements. The decrease in the onion acreage was made necessary by the closing of Egypt's normal markets in Europe.

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## LIVESTOCK AND ANIMAL PRODUCTS

### CANADIAN HOG NUMBERS CONTINUE TO INCREASE . . .

Canadian livestock returns are expected to show that there were 7,000,000 hogs on farms on June 1, 1942, according to information received in the Office of Foreign Agricultural Relations. Feed-grain supplies are expected to be large in the coming year, but prices are also higher, and returns from livestock above feed costs may be less than last season. The hog-barley price ratio at Winnipeg in July was only 18.6 as against 23.1 a year ago and 31.7 the year before, while the long-time average is 17.2.

The higher feed costs have been reflected in a heavier slaughtering of sows. Sows represented 10.8 percent of total hog gradings during the week ended July 18 against only 2.3 percent in January. Last year the proportion of sows marketed rose from 0.8 percent in January to 6.8 percent in July, the month when sow marketings are largest. Hogs are also being marketed at heavier weights, since the proportion of hogs weighing 176-185 pounds, dressed weight, has continued to increase as a result of the price policy adopted at the beginning of April, when the Bacon Board bagan paying as much for export Wiltshire sides weighing 70-75 pounds as for sides weighing 65-75 pounds, on condition that packers pay as much for heavier B-3 hogs as for the popular B-1.

Ten weeks before the expiration of the 1941-42 Canadian-British Bacon contract (October 31), exports were short 132 million pounds of reaching the 600-million-pound goal. This was the result of weekly shipments being less in the early months of the contract period than the expected weekly quantities, although exports have consistently been larger than a year ago, and the shortage is expected to be made up by the end of the contract period.

Cold storage holdings of pork, including pork in process of cure, declined seasonally to 41.7 million pounds on July 1. The decline since April has been more abrupt than a year ago even though slaughterings, month by month, have been exceeding slaughterings in the corresponding month of last year. A further decline in stocks is to be expected during the next month or two when slaughterings are seasonally low and export requirements relatively high.

Hog prices in Canada have continued an upward trend. The price of B-1 hogs, graded at Toronto for the week ended July 31, averaged $15.99 ($14.54 United States currency 1/) per 100 pounds, or $11.99 ($10.90) on a live weight basis. This compares with July prices of $10.96 ($9.96) in 1941, $8.60 ($7.82) in 1940, and $9.34 ($9.32) in 1939. Ceiling

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1/ Conversions made at official rate of 90.91 United States cents to the Canadian dollar. Prior to war, New York buying rate used.

prices for pork products for consumption in Canada became effective at the beginning of last December at the price levels prevailing during the period September 15 - October 11. Since that time hog prices, on a carcass-weight basis, have increased more than $1.00 ($0.91) per 100 pounds. Prices for pork products have been relatively high in comparason with the cost of hogs to packers, but this price advantage is being gradually wiped out.

CANADA: Exports of bacon, hams, and pork, by months
November 1939 - May 1942

| Month | 1939-40 | 1940-41 | 1941-42 |
|---|---|---|---|
| | Million pounds | Million pounds | Million pounds |
| November | 22.7 | 51.8 | 53.6 |
| December | 27.8 | 17.6 | 47.8 |
| January | 36.4 | 26.1 | 58.5 |
| February | 19.5 | 64.7 | 32.5 |
| March | 29.8 | 19.3 | 58.7 |
| April | 30.8 | 51.8 | 28.5 |
| May | 26.7 | 63.6 | 87.0 |
| Total | 193.7 | 294.9 | 366.6 |
| June | 23.3 | 35.3 | - |
| July | 25.3 | 35.3 | - |
| August | 27.4 | 33.4 | - |
| September | 35.9 | 22.2 | - |
| October | 28.7 | a/ 30.3 | - |
| Total | 334.3 | 451.4 | b/ 610.0 |

Compiled from official sources. a/ Old contract completed and new one begun early in October. b/ Estimated by the American Embassy, Ottawa.

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## COMPULSORY HOG RAISING IN SLOVAKIA . . .

The raising of hogs is compulsory for all Slovak farmers who have more than a hectare (2.5 acres) of arable land. The number of hogs that farmers must raise, feed, and sell is computed on the basis of the farmer's acreage and of the live weight of the hogs sold, with the proviso that hogs sold to the Slovak Live Stock Syndicate must weigh not less than 243 pounds each. In addition, farmers must meet their own domestic requiremonts.

Every farmer must sell at least one hog within a specified period, in those cases where the farmer has not more than 4 members of a household for the first hectare. The number of household members alloted for exemption depends on the productiveness of the soil. In especially good districts, 8 members are figured per hectare. Irrespective of the district and of the number in his household, a farmer must raise and sell at fixed intervals 55 pounds of hog (live weight) for every additional

hectare of arable land that he possesses. For such additional compulsory sales, shoats and smaller pigs of a live weight of not less than 44 pounds may be used. As an incentive to raise more hogs, the syndicate established a premium of 1.6 cents per pound of live weight for hogs weighing more than 243 pounds. The slaughter of breeding sows and boars is forbidden except by special permission.

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IRISH HOG INDUSTRY DECLINING . . .

The number of hogs in Ireland in June 1942 was 514,000, the lowest recorded since 1848. This represents a decrease of more than 50 percent when compared with hog numbers in June 1940. Lack of feed is the chief cause for this decline, since there are no imports of feedstuffs and home-grown feed is scarce.

IRELAND: Hog numbers by classes, June 1, 1938-1942

| Classification | 1938 | 1939 | 1940 | 1941 | 1942 |
|---|---|---|---|---|---|
| | Thousands | Thousands | Thousands | Thousands | Thousands |
| Sows for breeding .... | 97 | 95 | 103 | 70 | 50 |
| Boars ................ | 2 | 2 | 2 | 2 | a/ |
| Other hogs - | | | | | |
| 6 months old and over | 57 | 55 | 69 | 62 | a/ |
| 3 to 6 months ...... | 342 | 334 | 379 | 271 | a/ |
| Under 3 months ..... | 461 | 445 | 496 | 359 | a/ |
| Total ........... | 959 | 931 | 1,049 | 764 | b/ 514 |

Compiled from Irish Trade Journal and Statistical Bulletin. a/ Other classes than sows for breeding totaled 464,000 - erroneously given in last week's issue as 404,000. b/ Corrected figure.

It is believed that bacon will be scarce unless the domestic supply of feedstuffs is ample or unless shipping space becomes available in order to import the necessary requirements. Toward the end of the summer of 1941, steps were taken to conserve supplies and to build up reserve stocks of bacon and pork products for home consumption. No bacon has been exported since September 1941, and at the same time exports of live hogs were stopped. During the spring of 1942, it was necessary to draw on the reserve stocks of pork products, since the number of hogs arriving at bacon factories was not sufficient.

With the exception of 1940, hog numbers and the number of hogs received at bacon-curing factories, show a progressive decline from 1938 to 1942. While no figures are yet available for hogs received at these factories in 1942, it is estimated that their numbers will drop to approximately 55 percent of the number received in 1941, while the total weight will probably show a greater decrease.

IRELAND: Hogs received at bacon-curing factories, 1938-1941

| Year | Number of hogs | Total dead weight | Average dead weight |
|---|---|---|---|
| | Thousands | 1,000 pounds | Pounds |
| 1938 | 1,046 | 163,928 | 157 |
| 1939 | 985 | 157,044 | 159 |
| 1940 | 1,102 | 173,674 | 158 |
| 1941 | 828 | 127,310 | 154 |

Compiled from Irish Trade Journald and Statistical Bulletin.

The market prices of bacon hogs rose about 20 percent during 1941 but were fixed by the Pigs and Bacon Commission on February 16, 1942, as follows:

| Factory-purchased hogs a/ | Cents per pound |
|---|---|
| Class I - Not less than 119 nor more than 168 pounds | 19.1 |
| Class II - More than 168 but not more than 182 pounds | 17.7 |
| Class III - Less than 119 and more than 182 pounds | 14.4 |
| Hogs sold by live weight | |
| Class I - Not less than 153 nor more than 224 pounds | 14.0 |
| Class II - More than 224 but not more than 238 pounds | 13.3 |
| Class III - Less than 153 and more than 238 pounds | 10.8 |

a/ Factory-purchased hogs are purchased according to the class for which they qualify by dead weight. Dead weight means the weight of the dressed carcass (including the head with tongue, kidneys, tenderloins, tail, backbone, and feet) weighed within one-half hour after slaughter.

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ARGENTINA ACTS TO PREVENT SPECULATION
IN BUTTER AND MARGARINE . . .

The Argentine Ministry of Agriculture recently ordered that a sworn declaration of butter stocks, held by principal dealers, be obtained. Stocks on hand must be declared before August 10, 1942, together with details of quality and facilities for storage. This action was motivated by unusual increases in butter prices and is believed to be a move to prevent the possibility of speculation. Ordinarily the price of butter rises slightly during the winter months but due to large exports of all dairy products and to a smaller-than-normal winter milk yield, abnormal increases in prices resulted. The amount of Argentine butter declared for export to the United States during the first 6 months of 1942 totaled 17,771,517 pounds as compared with 901,746 pounds exported during the same period in 1941. Packaged butter, which was sold at approximately 24 cents a pound a year ago and considered high at the time has now reached 27 cents with indications that a continued advance might be expected unless some type of control is exercised.

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The Ministry fixed the maximum wholesale price of first quality margarine sold in casks at 4.2 cents per pound. Efforts are being made to obtain permission from the municipal authorities of Buenos Aires to allow the retail sale of margarine to the general public at a maximum price of 4.8 cents per pound in bulk.

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MEAT CANNING IN AUSTRALIA EXPANDING . . .

Australia has been obliged to expand greatly the meat-canning industry as a result of the limiting of imports of frozen and chilled meat by the United Kingdom in order to conserve shipping space. The present objective is to can around 200 million pounds in the 12 months, April 1 to March 31, 1942-43. Eventually the quantity canned may reach as much as 360 million pounds annually.

In recent years only a very small proportion of Australia's meat production has been canned, and canned-meat exports represented only 3 percent of the total in 1938-39. In 1940-41, however, canned-meat exports had increased to 43 million pounds, or 8 percent of the total for that year. Normal meat consumption in Australia is around 1,800 million pounds, and normal exports of all meat approximate 600 million pounds.

Beginning on January 25, the Commonwealth Government purchased the frozen mutton of first quality acceptable for export and from March 2, 1942, beef and pork at the British contract prices less 15 percent, as soon as it was placed in store. The difference between the purchase price and the British contract rate was to be used to build up a fund to meet storage charges and also to provide subsidies necessary to permit the Government to purchase canned meat. The surplus resulting from the drop in exports from normal would be sufficient to provide for over 1 million men, figuring roughly 1 pound per man per day.

The most recent prices quoted at which meat for canning is being purchased by the Australian Government and the British Government (British contract prices) are being described as of current interest, in view of the present expansion of the meat-canning industry in producing countries. The British Ministry of Food's basic price is 7 shillings 6 pence, sterling ($1.51 United States currency) per dozen for 12-ounce cans of beef (13 cents per can or about 17 cents per pound), and 55 shillings ($11.09) per dozen for 6-pound cans (92 cents per can or 15 cents per pound). The Australian equivalents are 9 shillings 4.5 pence, and 68 shillings 9 pence, for 12-ounce cans and 6-pound cans, respectively. The price paid by canners for the beef, permitted and accepted for export under the United Kingdom contract, that is being reserved for canning in Australia, has been fixed tentatively

at 2 pence (3 cents) per pound. This price was considered adequate to enable canning plants to make first quality corned beef available at the British contract price.

There are two mutton packs. One is described as "First Quality Subsidized Pack" (EXS), which is the product of carcasses that normally would be accepted for export to the United Kingdom as second and third quality frozen mutton. The other is described as "First Quality Standard Pack" (EX). This latter does not participate in the Government subsidy and is prepared from carcasses below third quality for export, together with other carcasses or cuts as are surplus to local trade requirements.

Prices paid for corned mutton (subsidized pack) are 11 shillings, Australian currency, ($1.78 United States) per dozen for 12-ounce cans (15 cents per pound) or 81 shillings 4 pence ($13.07) per dozen 6-pound cans, and for the nonsubsidized pork, 8 shillings 10.75 pence ($1.44) per dozen for 12-ounce cans and 65 shillings 3.75 pence (10.54) per dozen for 6-pound cans.

The British Ministry of Food purchase price for canned mutton is 95 percent of the canned-beef price. The rate for the nonsubsidized is on that basis, and any of this mutton sold to Britain or the services will be at an actual cost, while there will be a substantial loss on sales of the subsidized pork. The reserve created by the Government purchase of frozen lamb at less than the United Kingdom contract price will be used to cover this. The rate at which the subsidized pork will be sold to the services in Australia is being determined by the Price Commissioner.

A considerable amount of pork is also being canned, mostly in the form of pork sausages and canned bacon and ham. The purchase price of canned bacon is said to be sufficient to permit packers to pay about 6.5 pence (9 cents) a pound delivered at packing plants for first quality bacon pigs, and the price of pork sausage permits up to 5.5 pence (7 cents) per pound to be paid for butcher hogs. The Commonwealth Government is purchasing headless pork sides as follows: First quality, 7.10515 pence (10 cents) per pound; and second quality, 6.83995 pence (9 cents); Wiltshire sides, first quality at 7.6364 pence (10 cents), and second quality at 7.3712 pence (10 cents).

A large proportion of the storage and canning facilities is in Queensland. Total facilities were described as 115,000 tons in the spring of 1942. An additional amount of frozen storage of 16,000 tons has been added, and all major meat plants which export have been compelled to increase their capacity to an amount equal to 6 weeks' supply at the peak period of the season. In the Commonwealth as a whole, the storage capacity is somewhat greater than 6 weeks supply.

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